

**REMARKS:**

In the outstanding Office Action, the Examiner withdrew claim 11 and rejected claims 1-10. Claims 1-11 are cancelled herein without prejudice. New claims 12-24 are added herein. Support for the new claims can be found at least at paragraphs 85, 87, 89, 217, 235-237, 239, Figs. 4 (S22-S26) and 30(A) of the application as filed.

Thus, claims 12-24 are pending and under consideration. The rejections are traversed below.

**ELECTION/RESTRICTION:**

At item 2 of the outstanding Office Action, the Examiner withdrew claim 11 as being directed to non-elected invention. As mentioned above, claim 11 is cancelled herein.

Therefore, withdrawal of the restriction is respectfully requested.

**REJECTION UNDER 35 U.S.C. §103(a):**

Claims 1-10 were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,117,355 (McCarthy). As mentioned above, claims 1-10 are cancelled herein.

Therefore, withdrawal of the restriction is respectfully requested.

**NEW CLAIMS:**

Independent claim 12 recites, “issuing points to a customer according to transactions performed by the customer” and “calculating and accumulating the issued points, and subtracting points, from the cumulative points, in proportion to a time used for providing an electronic information service according to the cumulative points.” Claim 12 further recites, “providing the electronic information service to a customer terminal through a communication circuit.” This, for example, enables a customer to be provided with software information such as music, games, etc., corresponding to benefit points acquired by purchasing commodities which are sequentially subtracted from the customer’s cumulative points in proportion to the time used for servicing the software information.

Similarly, independent claims 15, 18 and 21 recite, “calculating and accumulating the issued points, and subtracting points, from the cumulative points, in proportion to a time used for providing an electronic information service according to the cumulative points” and “providing the electronic information service to a customer terminal through a communication circuit.”

Independent claim 24 also recites, “subtracting points from said calculated points based on a lapse of time during distribution of electronic information to the customer” and “displaying said subtracting of points to the customer during the distribution of the electronic information.”

In contrast, the McCarthy centralized system is directed to accumulating cash value for consumers based on transactions corresponding to merchants offering values. McCarthy identifies the merchant and a credit value for a particular transaction and transmits the consumer's credit value awarded based on predetermined incentives associated with the transaction such as coupons, rebates and discounts to the central system (see, col. 3, lines 43-63 and col. 6, lines 21-40). Then, similar to the periodic billing associated with the merchants for the coupon, rebate and discount amounts offered by the merchants, the consumers are provided with access to funds corresponding to the cash value of a particular transaction near prescribed dates such as birthdays associated with those individuals (see, col. 6, lines 43-55). That is, McCarthy is only limited to a mechanism for using service points in relation to a rebate or coupon at a predetermined period.

McCarthy does not teach or suggest the above identified features of the independent claims including, “calculating and accumulating the issued points, and subtracting points, from the cumulative points, in proportion to a time used for providing an electronic information service according to the cumulative points” and “providing the electronic information service to a customer terminal through a communication circuit”, as recited in each of the independent claims 12, 15, 18 and 21.

Moreover, McCarthy does not teach or suggest, “subtracting points... based on a lapse of time during distribution of electronic information” and “displaying said subtracting of points... during the distribution of the electronic information”, as recited in claim 24.

It is submitted that independent claims are patentable over McCarthy.

For at least the above-mentioned reasons, claims depending from the independent claims are patentably distinguishable over McCarthy. The dependent claims are also independently patentable. For example, claim 14 recites, “... displaying the customer's cumulative points on a screen of the customer terminal, which cumulative points are obtained by subtracting points in proportion to the electronic information service providing time” (see also, claims 20 and 23).

McCarthy does not teach or suggest, "displaying the customer's cumulative points on a screen of the customer terminal, which cumulative points are obtained by subtracting points in proportion to the electronic information service providing time", as recited in claims 14, 20 and 23.

Lastly, on page 5 of the outstanding Office Action, the Examiner asserts that it is well known to let customers know what products or services can be redeemed based on the points accumulated. The Examiner indicates that a frequent miles program that notifies customers of the total mileage accumulated and travel destinations that the points can be used for as an example. Applicants respectfully traverse the Examiner's statement because such frequent mile programs are limited to a particular service, for example, mileage points awarded by a particular airline which does not enable calculation of points issued for various types of services and does not provide instant notification of the calculated points to customers. The arguments pointing out errors in the Official Notice taken by the Examiner's assertion pointed out by the Applicants in the response filed February 14, 2006 are incorporated herein.

Therefore, withdrawal of the rejection is respectfully requested.

**CONCLUSION:**

There being no further outstanding objections or rejections, it is submitted that the application is in condition for allowance. An early action to that effect is courteously solicited.

If there are any formal matters remaining after this response, the Examiner is requested to telephone the undersigned to attend to these matters.

If there are any additional fees associated with filing of this Amendment, please charge the same to our Deposit Account No. 19-3935.

Respectfully submitted,

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